



State Capitol | Lansing, Michigan 48913

PH (517) 373.1725 | FAX (517) 373.0741

www.senate.michigan.gov/gop/senator/mcmanus/

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Contact: Kristin Beltzer
517-373-8880

Senate Republicans initiate regulatory reforms to aid Michigan's economy, promote environmental stewardship

LANSING – Senate Republicans today announced a package of legislation that would reduce Michigan's regulatory burden on businesses as part of their plan to strengthen Michigan's economy.

"We need to do everything possible to improve Michigan's business climate, which will in turn boost our economy and lead to more job opportunities," said Senate Majority Leader Ken Sikkema, R-Wyoming. "Through this package, we'll also be able to promote a healthier environment and the redevelopment of abandoned property. There is no single answer to all of Michigan's troubles, but through a combination of initiatives like this package, we will get things back on track."

The package addresses a number of regulatory issues, including:

- Providing clear rules and fair fees to businesses seeking air quality permits;
- Offering incentives for companies that attain Clean Corporate Citizen status;
- Enhancing brownfield redevelopment opportunities;
- Engaging the private sector in wastewater treatment; and
- Exposing burdensome administrative rules.

The package would provide certainty to businesses wishing to expand in the 25 counties recently designated as ozone non-attainment areas by the U.S Environmental Protection Agency. All industries that must obtain air quality permits under state law would benefit from defining exactly when offsets are available. An offset is defined as a reduction in emissions that is at least 10 percent more than the increase in emissions.

The proposal also would reduce by 15 percent the fees for obtaining air quality permits. The current permit structure expires at the end of this year. The plan calls for reducing the fees over four years to maintain the Department of Environmental Quality's minimum fee requirements while reducing a \$4.6 million surplus.

“At a time when our economy is struggling, I think it is only fair that the DEQ use its surplus to provide some relief to Michigan businesses,” McManus said. “Because the DEQ already has a surplus in this fund, this can be done without adversely affecting the air quality permit program.”

Another component would provide discounts on some DEQ permits to companies that attain Clean Corporate Citizen status. The C3 designation recognizes companies that demonstrate a proactive environmental agenda in their organization.

“This is a great way to encourage Michigan companies to strive for environmental excellence,” said Sen. Laura Toy, R-Livonia. “By rewarding companies that attain C3 status, we will help more businesses see the benefits of being good stewards of their environment.”

The proposal also would enhance brownfield redevelopment opportunities by ensuring private-sector financing remains a viable option for such projects. In addition, the proposal would provide for streamlined approval of single business tax credits of \$200,000 or less for brownfield redevelopment. This would provide certainty for applicants and ensure worthy projects in small communities move forward.

Another part of the proposal would allow for the creation of investor-owned wastewater treatment facilities. Recent court decisions have limited traditional municipal underwriting of developer projects, and this is having a significant impact on development. Several states allow investor-owned utilities, including Tennessee, Mississippi, Arizona, Texas, Florida and Kentucky.

Finally, the proposal would expose burdensome administrative rules by creating an Internet-based mechanism to gather input from citizens and the business community on administrative rules that are duplicative, burdensome or outright silly. The suggestions would be evaluated for possible legislation.

The package was announced today at a press conference in Livonia. Sponsors include Sens. Toy; Jason Allen, R-Traverse City; Patty Birkholz, R-Saugatuck Township; Bill Hardiman, R-Kentwood; Michelle McManus, R-Lake Leelanau; and Bruce Patterson, R-Canton. Legislation will be introduced in the coming weeks.

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